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tion here; yet, as many of them told me, the human rewards—though often intangible—are worth all their efforts and sacrifices. The essential element in this equation is the nature of the individual volunteer.

He (or she) must be a mature, practical, sensitive person, capable of great human insight. He needs longer, more intensive training before entering this basically "foreign" nation, training in the language and the culture of the people he seeks to motivate and to help. He must have special skills and experience to offer toward the creation of a labor pool that will attract industry and create jobs—for the Indians want passionately to be done with handouts and paternalism and to become self-supporting.

Only with such people as these can the VISTA program on the Navajo reservation really fulfill its great promise.

THE TRUTH ABOUT PUBLIC HEALTH IN CUBA

Mr. DODD. Mr. President, the Washington Sunday Star of September 8, 1968, published the first of a series of articles entitled "Castro's Cuba Today," written by Merwin K. Sigale. This first article, while critical of the Castro dictatorship, nevertheless repeated the time-worn myth that the regime has brought certain concrete benefits to the masses of the Cuban people.

The Castro revolution—

It said—

has elevated the dispossessed while dispossessing the elevated . . . it has scored impressive gains in education, public health and social equality while canceling the rights of free speech, suffrage and political action.

It may be true that the Castro regime has dispossessed the elevated. In the course of doing so, although the article does not point this out, it also dispossessed the hundreds of thousands of small peasants who once owned their own land and small artisans who once had their own businesses.

It is completely untrue, on the other hand, that the Castro regime has "elevated the dispossessed," or that it has "scored impressive gains in education, public health and social equality."

The fact is that in every country where it has taken power the totalitarian Communist system has impoverished the masses of the people and further aggravated the condition of the dispossessed.

By a coincidence, on the day that the article to which I have referred appeared in the Washington Star, the U.S. Citizens Committee for a Free Cuba released a study entitled "Medical Conditions and Public Health in Cuba Today."

Based largely on Cuban Government sources, international medical journals, and interviews with some hundreds of exiled medical personnel, the study says that infant mortality has increased six-fold over the past 7 years and that public health in every other area has deteriorated at an equally catastrophic rate.

The study blames the deterioration in public health on "the debasement of civil authority," the swollen military budget—which takes \$256 million a year against a top figure of \$55 million before Castro came to power—and the total lack of concern over public health services.

The report quotes from the testimony of recent refugees who have worked in the fields of medicine and dentistry.

Let me quote here only a few paragraphs from the testimony of Jose Antonio Guethon Lahera, a male nurse who, until March 1968, was in charge of the laboratory in the Santiago de Cuba General Hospital in Oriente Province:

"Out of every 100 tests made for hepatitis," said Sr. Guethon, "30 per cent were positive in 1966; in 1967, 33 per cent were positive; between January and March of 1968 40 per cent were positive. This is due to poor or non-existent hygiene in homes, overcrowding everywhere and the absence of medicines to treat the disease in its early stages.

"Hospitals are so over-crowded that, except in the most severe cases, the diagnosed patient is returned to his home, thus spreading the disease to other members of his family. The blood bank also spreads infections.

"In 1967, 20 out of every 100 persons tested had plodermatitis. By 1968, this had increased to 70 per cent, while 50 per cent of those tested were suffering from kidney disorders."

Such are the "impressive gains" that the Castro regime has scored in the field of public health.

Mr. President, I ask unanimous consent that the full text of the study on public health in Cuba, prepared by the U.S. Citizens Committee for a Free Cuba, be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

MEDICAL CONDITIONS AND PUBLIC HEALTH IN CUBA TODAY

(A study prepared by the U.S. Citizens Committee for a Free Cuba)

There can be little doubt that the Cuban people have fallen victim to the political ambitions of Fidel Castro and the onward thrust of Communism in the Western Hemisphere. This fact is dramatized in the state of public health in Cuba.

The debasement of civil authority and the ascendancy of military power took formal form with Decree 988 of January 5, 1962. This decree sets aside a yearly military budget of \$247 million. By 1964, Cuba's military expenditures had gone even higher—\$256 million—and indications are that since that time, with the installation of 43 guerrilla training camps on the island, this figure has been revised upward.

Decree 988 also established a "central military reserve for non-budgeted expenditures" and some intelligence estimates place those expenditures in excess of \$1 billion since 1962. These military outlays contrast with pre-Castro annual military budgets of \$55 million, which included Cuba's contribution to inter-American defense. Castro's army is estimated at 75,000 men, with another 300,000-plus in the militia and an additional 800,000 forced to serve in the Committees for the Defense of the Revolution, actually nefarious packs of neighborhood informers. None are productive members of the community.

So great has been the military drain on the civilian economy that less than one-quarter of the housing units needed, just to keep abreast of Cuba's growing population, have been constructed. Cement, lumber and other prime materials which ordinarily would go into housing, hospitals, sewage systems and water supply have been diverted to military construction throughout the island.

Yet, on January 2, 1967, the Cuban Prime Minister told the nation that the number of hospital beds have been "increased from 20,000 to more than 40,000 during these years of the revolution." But international refer-

ence works dispute that claim. Cuba had 90 public hospitals with 21,000 beds in 1958, the year before Castro came to power. Furthermore, another 168 cooperative hospitals and clinics dotted the island where, for a monthly fee, of between \$4 and \$5, Cuban families received full hospitalization, all costs of surgery and medicines and in- and out-patient treatment.

Altogether, the number of hospital beds in Cuba in 1958 totalled 49,000 which is to say 9,000 more than Castro claimed in 1967. A typical Castro practice is to "inaugurate" hospitals (Topes de Collantes, the National Hospital, for example) that had either been built, or nearly built, when he came to power.

The Cuban dictator is no slouch when it comes to juggling the figures, though he is not particularly gifted at the vice. He claimed in the same speech that infant mortality before he came to power "was over 60 per live 1,000 births and at present it has dropped to 37." But the facts are rather otherwise. The *Statistical Abstract* of 1960 places Cuba at the top of the list for all of Latin America, with a rate of only 5.8 deaths per live 1,000 births. What Castro has done, then, is to demonstrate that Cuba today leads all Latin America in infant deaths.

The failure of the public health system is best demonstrated by epidemics that rage throughout the island. Of the epidemics reported, gastroenteritis provides the best index to the state of public sanitation. It is relatively easy to control by elementary sanitary measures and comparatively simple to treat with medicines, and for that reason was virtually unknown in Cuba before Castro came to power. In a November 1963 article in the Communist newspaper *Hoy*, editorialist Manuel Navarro Luna reported: "Between May and June, there were 528,460 cases of gastroenteritis reported in the hygiene centers in the rural zones of Cuba."

In August, 1964, the Ministry of Justice announced that it had listed in official registers a "total of 6,429 deaths for the first 6 months of this year in Havana, of which 1,073 were children." This means a death rate of 16.6% in Havana alone (the figure would be much greater nationally) as against 6% for countries with adequate public health facilities. On June 18, 1966, the Public Health Ministry announced that "212 children died of gastroenteritis in the last 14 days," with Minister of Health José Machado Ventura elaborating over CMQ radio on November 27 the same year that the rate of deaths among children due to gastroenteritis mounted to well over 1,200 in Havana Province.

Ever since Castro took over in 1959, diseases which were virtually nonexistent in Cuba have returned in epidemic proportions—dysentery, typhoid fever, diphtheria, brucellosis and malaria. Anemia is common. These have been dramatic increases in the number of new cases of smallpox, scarlet fever and venereal diseases. The regime also has issued public statements concerning its "struggle" to contain yellow fever, unknown in Cuba since the early 1900's.

José Antonio Guethon Lahera, was until March 1968, a male nurse at the Santiago de Cuba General Hospital in Oriente Province, supervising the laboratory.

"Out of every 100 tests made for hepatitis," said Sr. Guethon, "30 per cent were positive in 1966; in 1967, 33 per cent were positive; between January and March of 1968, 40 per cent were positive. This is due to poor or nonexistent hygiene in homes, overcrowding everywhere and the absence of medicines to treat the disease in its early stages.

"Hospitals are so over-crowded that, except in the most severe cases, the diagnosed patient is returned to his home, thus spreading the disease to other members of his family. The blood bank also spreads infections.

"In 1967, 20 out of every 100 persons tested had plodermatitis. By 1968, this had increased to 70 per cent, while 50 per cent of those tested were suffering from kidney disorders."

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Juan Yanes Navarro worked at the Medical Cooperative of Havana, escaping from Cuba in 1968, and testified as follows: "The number of patients admitted to this hospital were suffering from various degrees of anemia due to lack of food. By 1967, the number suffering from anemia rose to 90% of all those admitted. The majority had between 3 and 3½ million red corpuscles, and hemoglobin of between 8 and 9 grams. But medicines containing iron were not available. In emergencies we gave 500 grams of whole blood."

The Cuban regime has sought to explain away the deterioration in public health services, saying that the water problem today is the "heritage of the capitalistic past." But the fact is that it is under the present Communist regime (and not before) that critical water shortages, pollution and resultant epidemics have occurred.

Cuban engineers who built the present Havana water system trace present water pollution to these causes: lack of equipment and competent personnel to run it; failure to maintain reservoirs, water mains and sewage systems; lack of fuel to operate the water pumps; lack of water pumps themselves; and the complete absence of chlorination. Prior to Castro, only selected water sources were tapped and the water was systematically checked for purity, filtered and chlorinated. What Cuban doctors in exile call "astronomical morbidity" in Cuba is aggravated by an almost complete lack of hygiene in cafes, shops and restaurants. Fire hydrants have been opened up and spew contaminated water into unsanitary buckets in the hands of unsanitary Cubans who do not have soap to cleanse themselves or their utensils. The ration is one small bar of toilet soap and one of washing soap per person per month. Ingredients in Cuban-manufactured soap causes skin irritation and mothers often use home remedies to wash their babies rather than risk almost certain infection through the use of soap. After using fresh lemons the rind and pulp are often used to cleanse infants and adults.

Another form of epidemic is expressed in the sky-high pre-natal mortality rates. This information, gathered from a number of gynecologists who have fled Cuba, states that there are no drugs available to treat pregnancy anemias and many mothers do not retain the fetus. This accounts for the extraordinary increase in still-borns throughout the island. Special wards have been established in some hospitals to take care of the large number of premature births. However, not much can be accomplished because of the lack of hospital space, scarcity of incubators and oxygen tanks. In pre-Castro Cuba, the weight of new-born babies averaged 6½ pounds. Today, the weight is less than 5 pounds. The primary factors responsible for the reduced weight of Cuban babies is lack of appropriate food for the mothers, lack of medicines and vitamins, and the nervous tension of both sexes caused by the daily climate of fear under which people live.

Here is the testimony of medical aide Fernando Fernandez-Landa: "I worked for 20 years at the maternity hospital, located at 31st and 94th Avenue, Marianao, Havana. Up until 1962 there were 134 doctors on the staff; by 1965, there were 87; in 1968, when I left, there were only 84. Only four of these were doctors in any real sense of the word, the others having been trained by the Communist regime."

"Ether is non-existent and patients are given spinals. The chemicals which are imported from Red China are so bad that post-operative effects often last for a year or longer. Sanitary conditions at the hospital are terrible, due to the lack of water, disinfectants and even personnel to do the cleaning, because they are carted off by the regime to cut sugar cane. Neither the patients nor the medical staff change their

gowns daily, and the patients are never washed daily while bed sheets are changed once every week or two.

"There was an average of 50 deliveries of babies daily from 1947 to 1962, including caesareans. In 1962, the number of deliveries decreased to about 30 per day, and abortions increased. In 1967, there was an average of 400 abortions per month, mostly of young unwed mothers who were sent, unsupervised, out to cut sugar cane along with militia units. The age of these young women runs between 11 and 20 years; the death rate among them from abortions was 6% in 1968."

Mental disorders in Cuba have increased by 75% since 1962. Psychiatrist Dr. Lisandro Diaz Torres, recently escaped from Cuba, explains this phenomenon: "The uncertainties of daily life, having to scrounge for food and clothing, tensions at home, and, for the child, in school, is responsible for the usually high number of mental problems now found in the Cuban population. The Cuban psychiatrist added: "Treatment in Cuba of the mentally ill is made virtually impossible because 1) of the poor quality of drugs and the total absence of tranquilizers, and; 2) the necessity of returning the patient to the environment of violence, terror and uncertainty that produced the mental problem in the first place."

The testimony of Maria Fabregas Gutiérrez is pertinent. She worked as a laboratory technician of the Psychiatric hospital, Rancho Boyeros Avenue and 26th St., El Cerro, Havana from 1966 until May 1, 1968. "By mid-June of 1967," said Miss Fabregas, "our medical staff had been reduced from 187 doctors and psychiatrists to 39."

She continues: "The five electro-shock units were in such poor condition that only three were working at any given time, despite the fact that an average of 500 patients were admitted weekly for mental disorders. The patients became so numerous that we had to refer them to one of the first aid stations. The X-ray machine was inoperable."

"Most of the patients were young women between 15 and 30 years of age who broke down under the terror and constant harassment under which they lived. Many were unwed and pregnant, having no defense against the demands of the militia who may take anyone they want and go unpunished."

Havana's mental hospital at Mazorra has deteriorated spectacularly since Castro came to power. How it happened is told by Josefina Hernández de la Rosa de Belio, an employee of the hospital for 10 years until she escaped from Cuba in 1968.

"Bedding is scarce: the hospital is jammed with mentally deranged people. On holidays they are fed only once a day. On other days, the food is scant and fights break out among the patients. Relatives are seldom permitted to visit, probably out of fear by the regime that the horrible conditions prevailing will cause a public revulsion and reaction."

"More than 5,000 patients are crowded into space meant for less than half that number. Fifty per cent of the women patients range from 15 to 23 years of age, many of them pregnant and virtually all of them unwed when they are admitted."

"Violent patients are kept nude in cells 10 by 12 feet, four or five to each cell. The walls are not padded; they sleep on the floor without bedding; they look like wild, caged, animals. There are no medicines or other equipment to treat them."

The incidence of epidemics, mental disorders and the like has prompted the Castro regime to stop issuing statistics in recent years. However, the constant stream of exiles, spot news on the Cuban radio and other sources provide a ready index to the state of public health in that unfortunate island. The situation will become worse, rather than better, since the Cuban military budget has risen and Fidel Castro has stated that all efforts to alleviate poor health conditions

must await a "more favorable world climate," whatever he may mean by that phrase. He has publicly admitted that the housing shortage "cannot be solved until 1990."

LACK OF TRAINED PERSONNEL

A personal communication dated July 15, 1968 from Dr. Angel Vieta, ex-Dean of the School of Medicine at Havana University, states that 2,800 Cuban physicians have fled into exile. None of the flights was occasioned by repugnance of physicians for Cuba's socialized medicine, for, prior to Castro, Cuba had a large degree of socialization throughout its various fields of professional treatment. The point is that 46% of all licensed Cuban physicians have fled Cuba because political reliability takes precedence over his competence in the medical field.

This situation continues. Dr. Gustavo Meste Pujol, named by Castro to organize the medical profession in Cuba along Communist lines, said in a recent interview after escaping from Cuba in a small boat that the Ministry of Public Health had received—and denied—more than 2,000 applications from physicians to leave the country. Another 500 physicians have been retired at their own request, he said, because they did not want to work for the Communist state. They were labelled "enemies of the state," their ration cards taken away and must live, literally, a hand-to-mouth existence on food given to them by friends and relatives.

Of 45 full-time faculty members on the staff of the School of Dentistry at Havana University ten years ago, only two remain. Forty are in exile, two are political prisoners of the regime and one is dead. They have been substituted by students, second-rate professors from the Soviet-bloc, and general practitioners with no graduate training at all. There are now approximately 635 dentists as compared to a pre-Castro registration of 1,980.

Not only professional dentists and doctors have left Cuba. Thousands of nurses, laboratory technicians, hospital aides and administrators also have escaped from Castro's Communist paradise. Today, their replacements, Cuban doctors trained under the Castro regime, have the competence of nurses' aides. Recent and current medical and dental graduates cannot be considered doctors or dentists by any accepted standard. First of all, the government selects those who may enter medical and dental schools, and the selections are made more on the basis of Party loyalty than on aptitude and intelligence. Then, after three or four years of crash courses, "graduates" are shipped off to practice medicine for the state in one or another medical center where they are expected to learn more of their profession. The curriculum is obsolete; there are few tools for their work. What the medical courses amount to, then, is a sort of on-the-job training without professional supervision, turning out "new doctors" whose poor patients pay the price—often with their lives.

Helio Constantino Cárdenas Mora was a dentist in Cuba. He arrived in Miami on a "freedom flight" in July, 1968. Here is what he has to say about dental conditions in the Policlínicos in Pinar del Río Province: "On Mondays through Fridays only fillings and extractions were performed. On Saturdays, minor surgery was permitted. A 'quota' was ordered by which each dentist had to treat three patients each hour, yet each patient had an average of six cavities to be cleaned and filled. The 'quota' for extractions was eight patients an hour. As a result, many teeth were lost, and virtually no dental records kept. No dentist or technician received a vacation for over three years, and the work day was 12 hours."

"Dental tools from East Germany are so poor that they are inoperative within one year of being installed."

"The poor state of Cuban teeth today definitely is because of the lack of a good

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diet. Only children receive milk and this consists of water, a small amount of powdered milk and an even smaller amount of fresh milk. Even pregnant women are given no milk ration. The diet is so poor that many Cubans drink water and sugar for energy and this adds to the deterioration of the teeth."

Concepción Rodríguez Hernández was employed at the Quinta de Dependientes Hospital in Havana. The children's ward consisted of only 200 beds. Miss Rodríguez was in charge of personnel who performed laboratory tests for the patients.

"In 1967," says Miss Rodríguez, "every single child admitted to the hospital was suffering from anemia. Their hemoglobin count varied from 5 to 8 grams, and their red corpuscle count ranged from 2½ to 3 million. Seventy per cent of all children admitted ranging in age from a few months to five years, died."

Of the women admitted to maternity, Miss Rodríguez said: "None of them had a higher count than 2½ million red corpuscles and a hemoglobin of six or seven grams. Thirty per cent of them suffered from post-delivery infections. Cesareans create 80 per cent post-operative infections. This is due in large measure to inexperienced 'doctors' who have no real training for their profession."

Prior to Castro and Communism in Cuba, medical courses were seven years, equipment and curriculum were modern, and the medical student was supervised by some of the best doctors in the Western Hemisphere. One, Doctor Agustín Castellanos, is a world-famous heart specialist and today is with Miami's National Children's Variety Hospital. Another specialist, Doctor Luis Duany, is with the same institution. The pre-Castro school of Dentistry at Havana University was five years' duration, followed, as in the medical profession, with stiff examinations. Today, a Castro "dentist" is graduated after two years' training and can lay no claim to much more than the education of a dental technician in other countries. One out of three "dentists" in Cuba today indeed are dental technicians but practice as dentists.

MEDICINES AND MATERIALS LACKING

The high number of post-operative infections in Cuba have been traced, in large measure, to the poor quality of Russian catgut. The suture is not absorbed by the patient's body, considerably retarding the healing of the wound. In many cases, the outcome is fatal. Penicillin from Red China is so bad that physicians in Cuba today use it only in dying cases. Dental material from Soviet-bloc countries is of an inferior quality, fillings constantly fall out, there are no coagulants, materials to build dentures or quality dental anesthetics.

Even the most indispensable items are lacking in Cuban medicine today. There is no cotton, aspirin, iodine, mercurochrome, laxatives, sedatives, antibiotics, hydrogen peroxide and the like. Often a patient is prepared for surgery and surgery is postponed for lack of the most simple of ingredients, available to country doctors in the jungles of Bolivia and Brazil. Operating rooms at most hospitals lack elementary things—detergents, disinfectants, gauze, cotton and plaster of paris. As a result, hygiene in surgical rooms is at a minimum and the rate of post-operative infections is epidemic in proportions. Mortality rates are at an all time high.

It is impossible to find in Cuba drugs to treat conditions such as high blood pressure, anemia and hepatitis. Persons suffering from these diseases have resorted to household remedies used in Spanish colonial times. And many patients refuse to go to hospitals, certain that they will never leave the premises alive.

Yet, in 1964 the Cuban ship *Sierra Maestra* sailed from the Port of Matanzas to Algeria, loaded with American manufactured medical

supplies, much of which was given to Cuba in 1962 and 1963 as ransom in the exchange of Bay of Pigs prisoners for medicines. While the ship was being loaded, stevedores tore open some of the cartons and found medicines so desperately needed for the Cuban people, protested, and were taken away to one of Castro's 87 concentration camps.

Blood is extracted from prisoners who are about to be shot by firing squad. Here is the story, told by Celestino Roberto Vazquez Casines, who made the extractions. "Prisoners have blood extracted from them just prior to being executed, and there have been cases where, because of the poor health of the victim who has been in prison for years, the extraction itself makes the execution unnecessary. He dies."

Draftees into the Cuban military are, says Sr. Vazquez, made to "contribute 300 grams of blood every three months. So are laborers, who are rounded up periodically, placed in trucks and sent to us for blood extractions. Even the so-called Committee for the Defense of the Revolution are made to canvas the block which is under their spying jurisdiction and order all adults under 50 years of age to report and give 300 grams of blood."

What happens to the enormous quantity of blood extracted from the Cubans also is told by Sr. Vazquez: "We usually only use blood from the blood bank when it is specifically requested by a doctor and approved by higher officials. This is because blood plasma is sent to North Vietnam in regular shipments."

The ACTH provided by the Russian Medexport laboratories was responsible for a number of deaths in 1962 and 1963. An official resolution dated February 26, 1963 prohibited its use. By June, 1964, Cuban physicians had become so alarmed by the deaths of their patients that the Cuban Ministry of Health issued an urgent order withdrawing 39 pharmaceutical products from drugstores throughout the island. Of the 39, it was revealed that 36 had been supplied by Soviet and Soviet-bloc sources and the other three by Red China. Señorita Nery Rodríguez was blinded and paralyzed from the waist down after taking a dose of Russian-manufactured polio vaccine at school in Cuba three years ago. This child is now a refugee living in Key West.

The disastrous state of public health in Cuba often is successfully hidden from American doctors who know no Spanish and do not take the time to consider pre-Castro medical conditions before traveling to the island. On January 30, 1968, Dr. Albert B. Sabin, developer of the oral vaccine, was interviewed by Al Volker of the *Miami Herald* regarding his views of Cuba following a trip there.

He said: "Cuba has done well in providing medical services in general, including the rural areas. Whatever you think of the Castro regime, it must be recognized that health services there are very well organized and vaccine is being carried to the children extraordinarily well." Dr. Sabin's views contrast sharply with those of Chilean, Mexican and Brazilian doctors who attended a conference on gastroenteritis in the city of Santa Clara and came away appalled by the almost medieval practices of Cuban medical doctors. It may be supposed that Dr. Sabin was given one or another guided tour by the Castro regime.

SUMMARY

The continuous deterioration of public health services in Communist Cuba can be attributed to a number of factors: disintegration of public health services and lack of facilities; flight of trained personnel in virtually every category of Cuban life; the use of new medical and paramedical personnel; the takeover by the state of all private practice and private clinics resulting in a collapse of basic hygienic practice at every level; the socialization of medicine; the lack of de-

tergents and disinfectants with the resulting spread of epidemics; the poor quality, and lack, of pharmaceutical products; and the lack of adequate food, clothing and in many cases even the lack of rudimentary shelter.

The Cuban Communist regime has little difficulty obtaining what it wants from Western countries; the policy of "economic denial" being pursued by Washington has not been effective. But Castro lacks the dollars to make extensive purchases, and those that are made do not alleviate the suffering of the Cuban people.

Behind all of this stands the specter of Castro-Communist ambition, the debasement of civil responsibility. Until the basic ill is cured, then medicines and food will continue to be a vital weapon in the hands of the regime. For example, tons of canned food are stored in various dumps around the island to supply Castroite guerrillas operating in Latin America, for Castro's military forces, and the Communist elite. Milk is virtually unobtainable in Cuba and more than one ration line have erupted when none turns up for sale. In February 1968, seventy stevedores refused to load powdered milk, food and medicines destined for North Vietnam, aboard a Soviet vessel.

This incident threatened to set off island-wide disturbances, forcing Castro to announce on March 13, 1968, "a revolutionary offensive against parasites and counter-revolutionaries." Vilma Espín de Castro, wife of Armed Forces Minister Raúl Castro and head of the Federation of Cuban Women, set the tone with this March 23 declaration: "We must crush the counter-revolution." When faced with complaints that milk, food and medicines were being shipped to North Vietnam, she answered: "If the milk is for North Vietnam, then they can have all of it!"

Little more need be added.

SOURCES

Granma, February 25, 1966; "Reto al Comunismo," by Doctor Enrique Huertas, *Diario las Americas*, November 30, 1965; *The Cuban Report*, January 17, 1964; "Un Medico Latinoamericano Ve la Medicina en Cuba," *Salud Publica de Mexico*, October, 1963; Radio CMQ, September 9, 1963; Radio Progreso, August 12, 1963; Radio CMQ, November 15, 1963; *Informe Sobre Cuba*, November 16, 1963; Decree Law 1, 141; *Hoy*, May 23, 1964; *The Miami News*, March 28, 1965; *El Mundo*, November 16, 1965; Radio CMQ, February 11, 1964; *Boletin Medico*, Vol. 1, No. 2, April, 1964; *Granma*, February 28, 1966; Circular No. 3, Department of Supply, Clinica Benefica, Havana, February 26, 1963; *Cuba Obrera*, August, 1964; *The Miami News*, January 30, 1968; *Washington Evening Star*, January 31, 1968; Agencia de Informaciones Periodisticas, February 6, 1968; *The Miami Herald*, April 7, 1968; *Gazeta Oficial de Cuba*, January 15, 1964; *Informe Sobre Cuba*, August 29, 1963; Radio CMQ, June 1, 1964; Radio Progreso, June 26, 1963; depositions and interviews with 329 medical technicians, dentists and doctors covering all fields of specialization and general medicine.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business? The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

RENEGOTIATION ACT—INTERNATIONAL ANTIDUMPING ACT—INTERNATIONAL COFFEE AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that

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the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The BILL CLERK. A bill (H.R. 17324) to extend and amend the Renegotiation Act of 1951, to suspend the International Antidumping Code, and to implement the International Coffee Agreement.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I yield to the Senator from Indiana 5 minutes on the bill.

Mr. HARTKE. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I wish to ask the Senator from Indiana a question.

The Senator knows that the Senator from Wisconsin [Mr. PROXMIRE] and I, on August 1, introduced a proposed amendment to this bill, relating to income tax treatment of small business investment companies. It was fully my intention to call up that amendment; but I understand—and I ask whether my understanding is correct—that there has been some discussion and some consideration of this proposal in the committee, and the thought is that there should be hearings on it, as a separate bill. Is my understanding correct?

Mr. HARTKE. The understanding of the Senator from Alabama is correct. This matter was brought before the Committee on Finance at the time of the consideration of this bill, and it was the understanding at that time that there was a possibility of the proposal being adopted as an amendment. In the committee itself we decided against accepting the amendment, for the reason that we thought this matter was of such a nature that greater consideration should be given to it than possibly could be given to it at the time we had an executive session.

In addition, the committee was of the opinion that it would be necessary to have hearings on this matter so that the complete merits of the situation could be discussed.

I assure the Senator that the Committee on Finance will be willing to have such hearings and will cooperate with the chairman of the Committee on Banking and Currency and with Senator

PROXMIRE, as cosponsors of the amendment, so that this matter can be properly researched and discussed and so that there will be proper consideration of a very important problem which affects the small business people of the United States.

Mr. SPARKMAN. I wonder whether the Senator has any idea as to how soon those hearings might be held.

Mr. HARTKE. I do not, but I assure the Senator that I will take the matter up with the chairman of the committee, and we will be in touch with the Senator from Alabama and will try to schedule hearings at the earliest possible moment.

Mr. SPARKMAN. Mr. President, in view of the situation that prevails in the committee, and in view of the assurance on the part of the Senator from Indiana, I will not call up my amendment.

However, at this time I ask unanimous consent to have printed in the RECORD a letter from the Treasury Department, dated April 10, 1968, regarding this measure, addressed to the Senator from Louisiana [Mr. LONG], chairman of the Committee on Finance, and a letter addressed to the Vice President of the United States by Mr. Boutin, former Administrator of the Small Business Administration, submitting the proposed legislation, calling attention to the fact that this is an administration bill which has been approved by the Small Business Administration and by the Bureau of the Budget. The Treasury Department indicates in its letter that it would defer to the opinion of the Small Business Administration.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, D.C., April 18, 1968.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for this Department's views with respect to S. 1863, "A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of small business investment companies."

This bill and S. 1862 have been sponsored by the Small Business Administration as a comprehensive proposal designed to improve the effectiveness of the small business investment company program. S. 1862 as modified by the Congress was enacted as Public Law 90-104 and was signed by the President on October 11, 1967.

The Treasury has not made any independent investigation of the SBIC industry which would enable this Department to express any view as to the need for revision of the tax treatment of SBICs or as to the effect of the proposed revision on the industry. However, in view of the interest in the possibility of revising such tax treatment as part of the overall review of the SBIC program which has been undertaken by Congress and the Small Business Administration, the Treasury cooperated in the preparation of this legislative proposal which is designed to accomplish certain objectives set forth by the SBA.

This proposal contains a combination of provisions intended to improve the SBIC industry. The provisions are largely extensions of particular tax benefits. Considered separately, these benefits are available singly to several various limited classes of other taxpayers in certain circumstances under ex-

isting law, although no taxpayer presently obtains all, or a majority, of these benefits in combination. Whether this combination of tax benefits extended to small business investment companies will efficiently accomplish the goals set forth for this program by the Small Business Administration is a question on which the Treasury Department expresses no view and defers to the Small Business Administration.

The Bureau of the Budget has advised the Treasury Department that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Sincerely yours,

STANLEY S. SURREY,
Assistant Secretary.

SMALL BUSINESS ADMINISTRATION,
Washington, D.C., May 20, 1967.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are copies of two draft bills, together with section-by-section analyses thereof. The first of the bills would amend the Small Business Act and the Small Business Investment Act of 1958. The second bill would amend the Internal Revenue Code of 1954 with respect to the income tax treatment of small business investment companies. For the reasons stated in the analyses, I recommend the enactment of this legislation.

Title I of the first bill would effect certain increases in the limitations governing the amount of obligations and commitments which may be outstanding at any one time from the business loan and investment fund of the Small Business Administration. It would also have the effect of lengthening the maximum term permitted on business loans made by SBA for construction purposes; would increase the authority of SBA to establish advisory boards and to reimburse the members of such boards, as well as other persons cooperating in the work of the Agency, for expenses incurred by them; and would broaden the authority of the Agency to utilize the mails for the promotion of its programs.

Title II of the first bill would introduce major changes in the small business investment program established by the Small Business Investment Act of 1958 to provide small business concerns with equity capital and long-term financing. The provisions of this title are designed to remedy three basic weaknesses which have developed in the program since its inception nine years ago.

The first of these weaknesses is that the average small business investment company is much too small, much too limited in financial resources and management skills, to do the job contemplated by the Congress. The second weakness is that the leverage inducements offered to investors by existing law are not strong enough to attract private capital in the volume needed to assure the success of the program. The third weakness is that the financing provided to portfolio companies by SBICs is mostly of a debt nature, rather than the more desirable equity-type investment.

Title II stipulates that, after enactment of the bill, a license will not be issued to an applicant unless it has a private capitalization of at least \$1 million. Although this new size standard would not be immediately applicable to existing SBICs, those which are below it would be required to comply with specified time limits. These time provisions are sufficiently broad and flexible to minimize hardship.

The financial incentives offered by Title II should evoke a satisfactory response from the private market. Through the sale of debentures to SBA, an SBIC could obtain up to \$7.5 million of Government financing. Additional financing could be obtained by an SBIC which places at least 65 percent of its